

FY 2017 Proposed Budget



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**Public Information Meeting
February 25, 2016**



City Council Goals

- High Performing City Organization: Financially Sound, Providing Service Value
- Responsible Growth and Revitalization
- Preservation of Ankeny's Hometown Feel
- Ankeny as a Successful Business Center



Budget Strategies

- Support the goals and priorities outlined in the Strategic Plan
- No increase in tax rate
- Maintain service levels
- Reinvest in existing neighborhood infrastructure
- Evaluate the \$5 million cap for capital improvements funded by the debt service levy
- Evaluate opportunities for continued revenue diversification
- Develop implementation plan for city facilities, including staffing implications

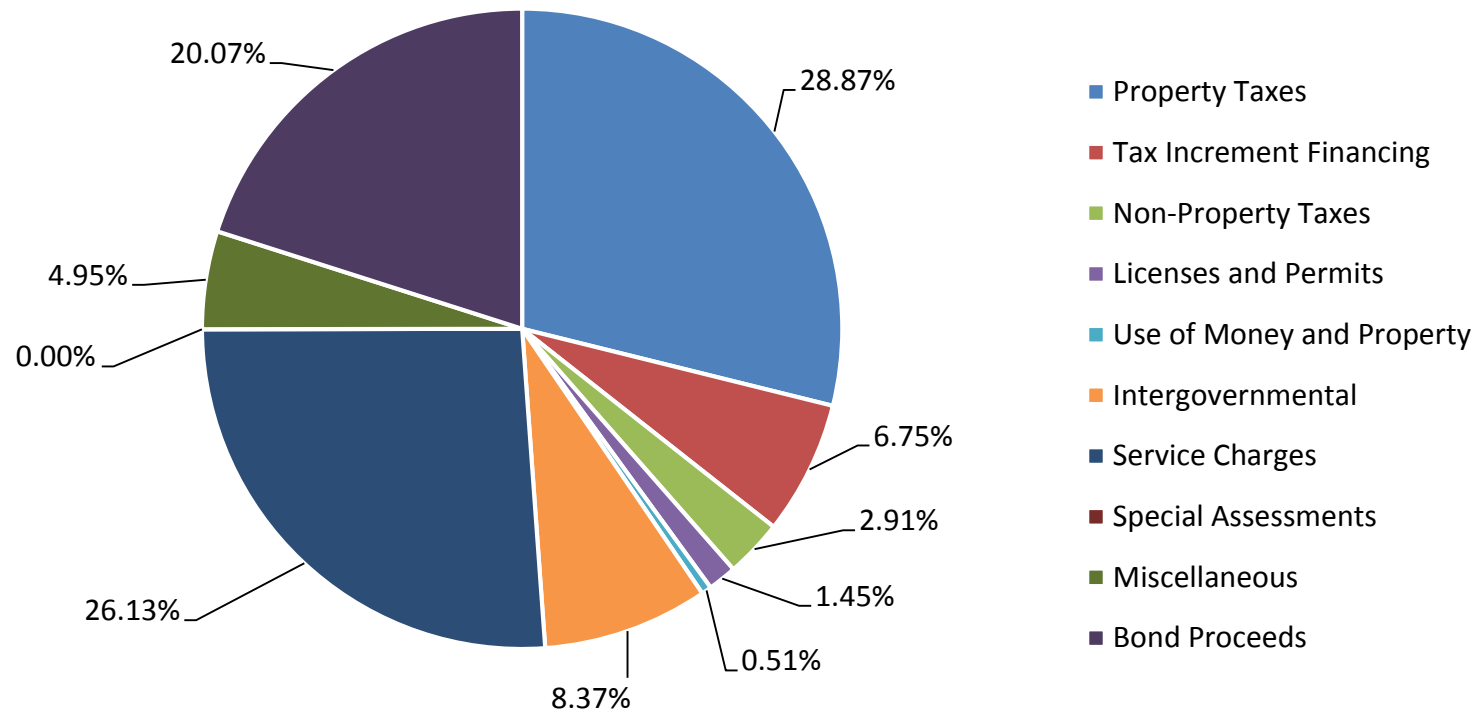


Budget Breakdown

- \$99 Million Total Budget
 - \$78 Million Operating Budget
 - General Fund - \$25 Million
 - Road Use Tax Fund - \$5 Million
 - Debt Service Fund - \$22 Million
 - Utility Funds - \$20 Million
 - All Other Funds - \$6 Million
 - \$21 Million CIP Budget



Revenues by Source



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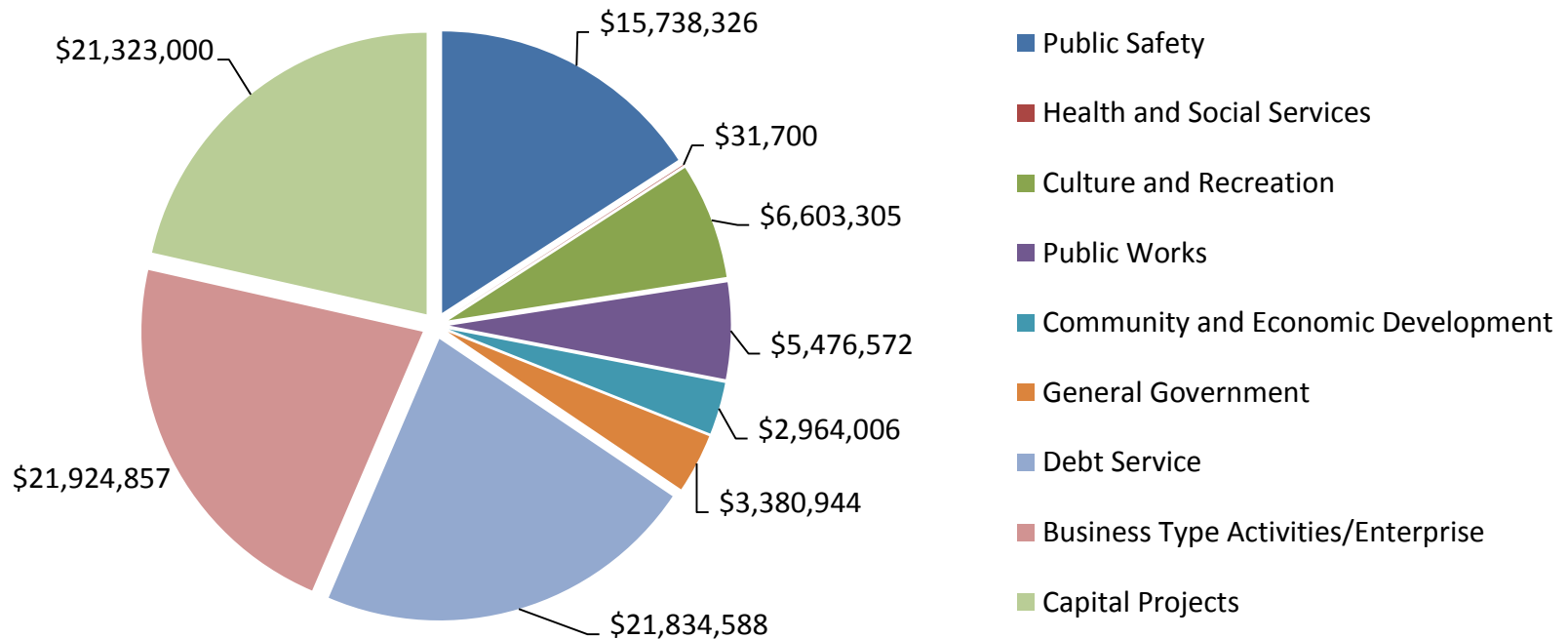
Expenditures By Program

Expenditures	FY 2017 Budget	FY 2016 Budget	Dollar Change	Percent Change
Public Safety	\$15,738,326	\$14,573,149	\$1,165,177	8.00%
Health and Social Services	31,700	31,700	0	0.00%
Culture and Recreation	6,603,305	6,236,449	366,856	5.88%
Public Works	5,476,572	5,105,590	370,982	7.27%
Community & Economic Development	2,964,006	2,785,368	178,638	6.41%
General Government	3,380,944	3,240,355	140,589	4.34%
Debt Service	21,834,588	20,814,512	1,020,076	4.90%
Business Type Activities	21,924,857	20,960,203	964,654	4.60%
Capital Projects	21,323,000	18,066,000	3,257,000	18.03%
Total	\$99,277,298	\$91,813,326	\$7,463,972	8.13%

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Expenditures By Program



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Budget Highlights

1. Valuation Growth

- 11.82% regular valuation
- 10.95% debt service valuation

2. Rollback Changes

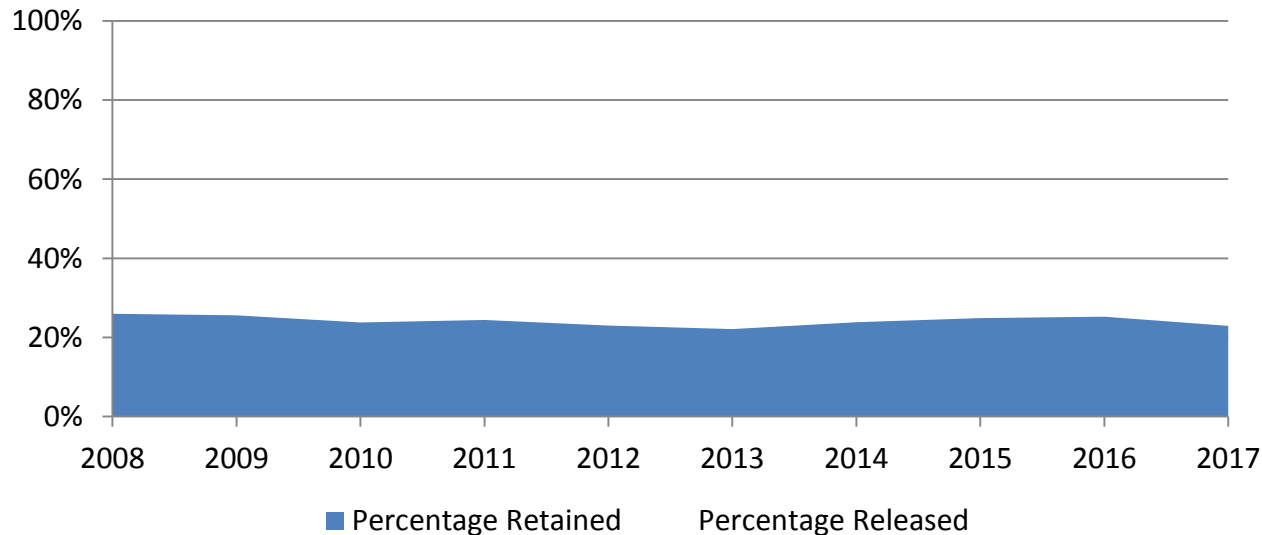
- Decrease in residential rollback from 55.7335% to 55.6259%
- Cap on commercial and industrial backfill from State
- New multi-residential rollback – starts at 86.25% and is reduced 3.75% annually until reaches the residential rollback estimated at 63.75% in fiscal year 2023
- Unlike the rollback for commercial and industrial properties, there is no backfill to offset revenue reductions for the multi-residential property rollback



Budget Highlights

3. Use of Tax Increment Financing

- 23% of available TIF increment reserved by the City
- 77% of available TIF increment released to all other taxing jurisdictions (i.e. school district, county, etc.)





Budget Highlights

4. Local Economy

- Strong taxable valuation growth
 - Total new investment city-wide was \$314 million in 2015, the second highest total in the city's history, only behind \$318 million in 2014.
- Increasing economic development opportunities
- Robust building permit activity

Calendar Year	Residential		Commercial	
	Number	Value	Number	Value
2015	929	201,259,673	31	44,176,393
2014	1011	205,569,149	36	44,367,457
2013	859	191,833,192	26	34,233,742
2012	1031	178,308,822	33	73,674,050
2011	580	107,047,822	15	19,062,235
2010	523	106,078,166	17	10,060,900
2009	422	82,430,948	11	12,251,100
2008	372	68,646,221	21	42,473,891
2007	581	107,924,995	26	38,933,191
2006	845	136,156,818	30	29,709,708

Taxes on value of permits issued in CY 2015 will be collectible in FY 2017.



Budget Highlights

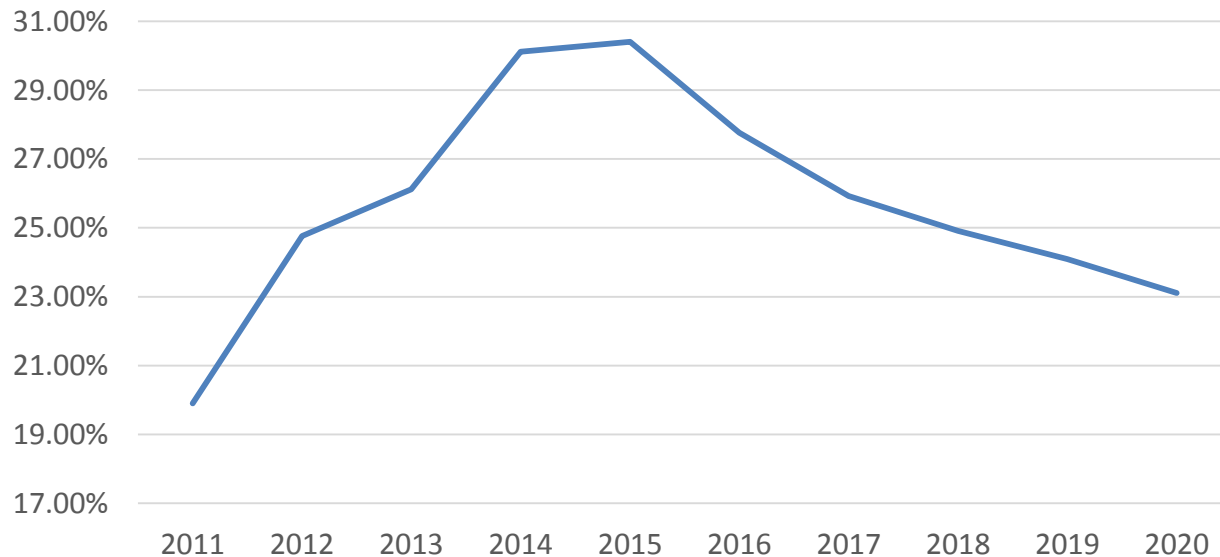
5. Personnel Costs

- Funds new positions and reclassifications, including 9.66 new FTE
 - Patrol Officers
 - Paid on Call (POC) 3rd out ambulances staffing (part-time)
 - Code Enforcement Officer
 - Plans Examiner
 - 8-month seasonal laborer – Prairie Ridge Sports Complex
 - Equipment Operator
 - Municipal Utilities Director
 - Part-Time to Full-Time Civil Engineer
- Funds the 27th pay period
- Funds the fourth of five year union contracts
- Addresses pension costs
 - IPERS regular and protected class contribution rates remain unchanged at 8.93%



Budget Highlights

- MFPRSI contribution rate decreases from 27.77% to 25.92%
- MFPRSI contribution rate history:





Budget Highlights

6. Debt Service

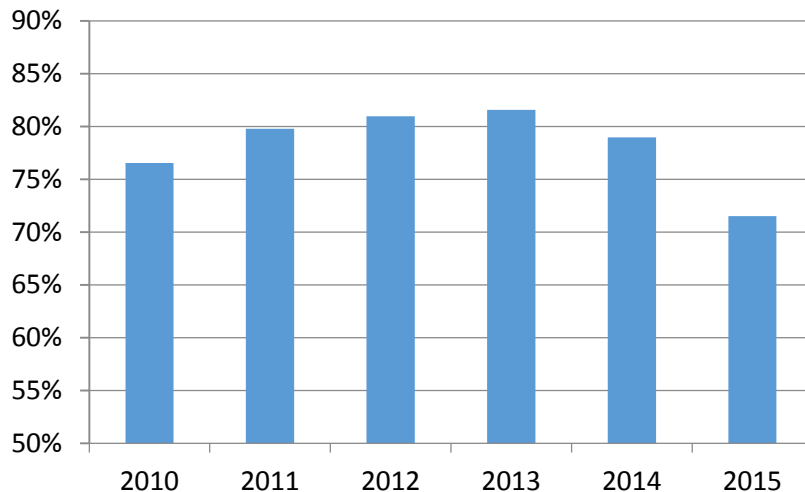
- Projects a sizable reduction in the constitutional debt limit
- Addresses facility needs
- Reduces borrowing for capital projects through the use of increased road use tax revenues
- Eliminates the \$5 million cap for debt service funded capital improvement projects
- Establishes an annual debt service target that takes into consideration taxable valuation growth, the capital improvement program and the City's ability to maintain a stable or declining debt service levy rate



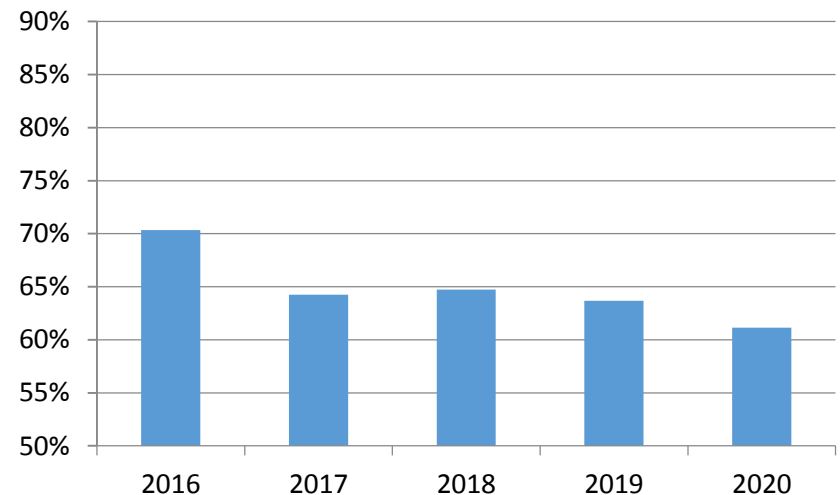
Budget Highlights

- FY 2013 highest debt utilization at 82% of debt limit
- FY 2020 expected to be lowest debt utilization at 61% of debt limit
- Decreased 10% from FY 2013 to FY 2015.

Historical Debt Limit



Projected Debt Limit





Budget Highlights

7. Infrastructure Needs

- Focuses on improved maintenance
 - Increased contracted mowing services
 - Increased median and ROW maintenance
 - Replace roof at Lakeside Center
 - Stain Band Shell
 - Replace South Ankeny Boulevard Trail
- Funds the 2016-2020 Capital Improvement Program
 - NE 36th Street Reconstruction
 - SW Vintage Parkway – SW Irvinedale Drive to SW Magazine Road
 - SE Oralabor Road and SE Delaware Avenue Intersection Improvements
 - SW State Street and SW White Birch Drive Traffic Signal
 - NW 13th Street RCB Culvert over Rock Creek
 - SE Sharon Drive Sanitary Sewer Replacement
 - Tributary A to Four Mile Creek Channel Improvements
- Continues transfer to the capital projects reserve fund



Budget Summary

- Municipal utility rates
 - Solid waste - \$0.10 per month increase (est.)
 - Water utility – 5.50% rate increase
 - Sewer utility – no rate increase
 - Storm water utility - no rate increase
- Decrease in the overall property tax levy

Levy	FY 2017	FY 2016	Change
General	\$ 6.79	\$ 6.89	\$ (0.10)
Aviation Authority	0.15	0.15	0.00
Police & Fire Retirement	0.56	0.56	0.00
Debt Service	4.25	4.25	0.00
Total Property Tax Levy	\$ 11.75	\$ 11.85	\$ (0.10)



Change in Cost of City Government

Increased Annual Cost to \$160,000* Home For City Services

Property Tax	-\$11
Franchise Fee	\$0
Solid Waste	\$1
Water	\$27
Sewer	\$0
Storm Water	<u>\$0</u>

Total Increased Cost +\$17

Decreased Annual Cost to \$1 Million Business For City Services

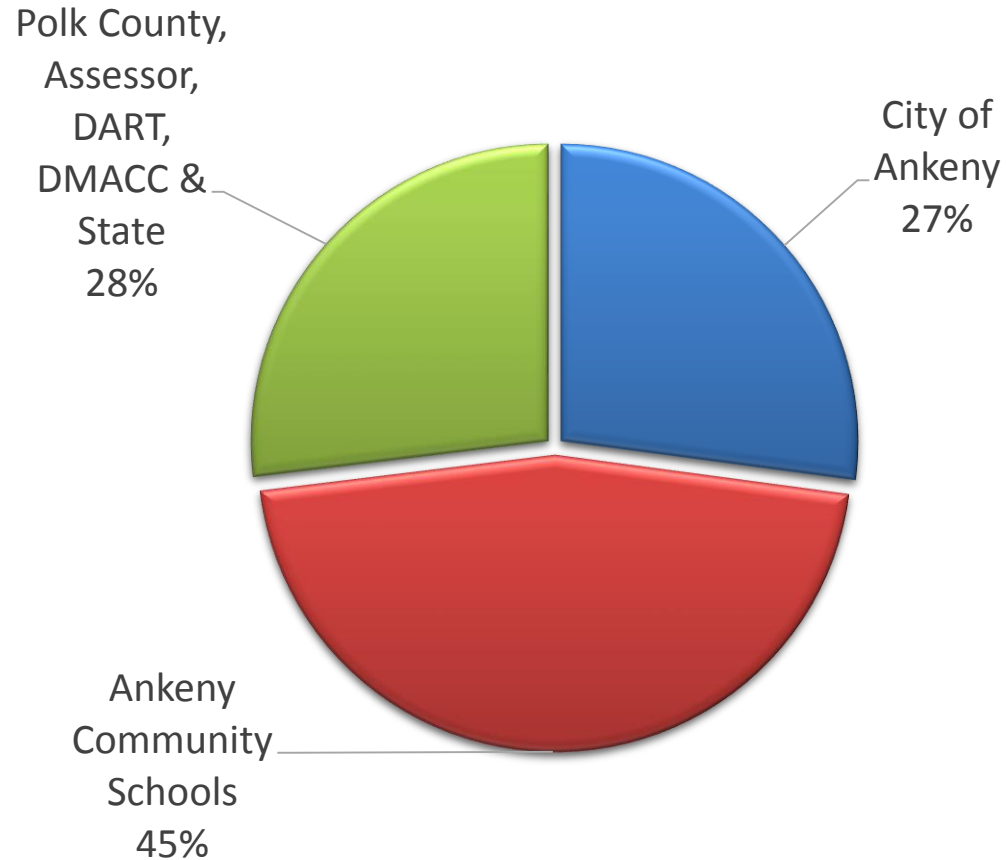
Property Tax	-\$90
Franchise Fee	\$0
Solid Waste	N/A
Water	\$73
Sewer	\$0
Storm Water	<u>\$0</u>

Total Decreased Cost -\$17

* Median assessed valuation – Polk County Assessors Office



Property Tax Distribution



Source: Iowa Department of Management



Question & Answer

Public Hearing: March 7, 2016

City Hall at 5:30 p.m.



You Tube

Budget information available online at www.ankenyiowa.gov

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